

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 613 – SB 847

March 12, 2013

SUMMARY OF ORIGINAL BILL: Increases, from \$10 to \$50, the fine for a violation of the safety belt law. Increases, from \$20 to \$75, the fine for a second or subsequent violation. Requires \$20 of the fine to be deposited in the General Fund for exclusive use of the Tennessee Court Appointed Special Advocates for Children. Requires \$10 of the fine to be deposited in the General Fund for the exclusive use of the Exchange Club Family Centers. Requires all remaining funds to be deposited in the General Fund and used for the Division of Vocational Rehabilitation. Increases, from \$20 to \$75, the fine for a driver who is 16 or 17 years of age. Requires the Department of Safety to assign two points to a driver's record for a violation of seat belt law. Requires \$10 of the fine to be deposited in the General Fund without designation. Requires \$20 of the fine to be deposited in the General Fund for exclusive use of the Tennessee Court Appointed Special Advocates for Children. Requires \$10 of the fine to be deposited in the General Fund for the exclusive use of the Exchange Club Family Centers. Requires the remaining \$35 to be deposited in the General Fund and used for the Division of Vocational Rehabilitation. Requires all fine proceeds from a second or subsequent violation by a driver 16 or 17 years of age to be deposited in the General Fund and used for the Division of Vocational Rehabilitation. Requires the Department of Safety to add two points to the driving record of a person convicted of a violation of safety belt law.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue –

\$594,300/Earmarked for the Exchange Club Family Centers

\$782,000/Earmarked for the Division of Vocational Rehab

\$1,188,600/Earmarked for the Special Advocates for Children

Increase State Expenditures – \$5,200/One-Time

Increase Local Revenue – \$135,000

SUMMARY OF AMENDMENT (004510): Deletes the original bill. Increases, from \$10 to \$50, the fine for a violation of the safety belt law. Increases, from \$20 to \$50, the fine for a second or subsequent violation. Increases, from \$20 to \$50, the fine for a driver who is 16 or 17 years of age. Requires \$10 of the fine for a first offense to be deposited in the General Fund for the use of the Division of Vocational Rehabilitation. Requires the remaining \$40 of the fine for a first offense to be deposited in the General Fund without designation. Requires \$20 of the fine for a subsequent offense to be deposited in the General Fund for the use of the Division of Vocational Rehabilitation. Requires the remaining \$30 of the fine for a subsequent offense to be deposited in the General Fund without designation.

HB 613 – SB 847

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Revenue – \$2,104,600/General Fund
\$9,500/Division of Vocational Rehab**

Increase Local Revenue – \$111,300

Assumptions for the bill as amended:

- According to the Department of Safety (DOS), the number of annual fines paid is approximately 41,400 first-time violations, 14,230 repeat violations, 3,800 first-time violations by 16 and 17 year olds, and 950 repeat violations by 16 and 17 year olds.
- Under current law, all proceeds from fines for a violation by a person 18 years of age or older are deposited in the General Fund for use of the Division of Vocational Rehabilitation.
- Under current law, \$10 of the fine for violations committed by a driver 16 or 17 years of age is deposited into the General Fund without designation, and \$10 is deposited into the General Fund and used for the Division of Vocational Rehabilitation. All proceeds from second or subsequent violations are deposited into the General Fund and used for the Division of Vocational Rehabilitation.
- A \$40 fine increase for first time violations by drivers 18 years of age or older.
- Local courts receive a five percent commission.
- A recurring increase in fine revenue from first time violations by drivers 18 years of age or older estimated to be \$1,656,000 (41,400 violations x \$40 fine increase).
- A recurring increase in local government revenue estimated to be \$82,800 (5.0% commission x \$1,656,000).
- A recurring increase in state revenue to the General Fund without designation is estimated to be \$1,573,200 (\$1,656,000 - \$82,800).
- A \$30 fine increase for repeat violations by drivers 18 years of age or older.
- Local courts receive a five percent commission.
- A recurring increase in fine revenue from repeat violations by drivers 18 years of age or older estimated to be \$426,900 (14,230 violations x \$30 fine increase).
- A recurring increase in local government revenue estimated to be \$21,345 (5.0% commission x \$426,900).
- A recurring increase in state revenue to the General Fund without designation is estimated to be \$405,555 (\$426,900 - \$21,345)
- A \$30 fine increase for first time violations by drivers 16 or 17 years of age.
- Local courts receive a five percent commission.
- A recurring increase in fine revenue from first time violations by drivers 16 or 17 years of age estimated to be \$114,000 (3,800 violations x \$30 fine increase).
- A recurring increase in local government revenue estimated to be \$5,700 (5.0% commission x \$114,000).
- A recurring increase in state revenue to the General Fund without designation is estimated to be \$108,300 (\$114,000 - \$5,700).

- A \$30 fine increase for repeat violations by drivers 16 or 17 years of age.
- Local courts receive a five percent commission.
- A recurring increase in fine revenue from repeat violations by drivers 16 or 17 years of age estimated to be \$28,500 (950 violations x \$30 fine increase).
- A recurring increase in local government revenue estimated to be \$1,425 (5.0% commission x \$28,500).
- Under the current law, \$10 of the \$20 fine is designated for the Division of Vocational Rehabilitation and \$10 is designated for the General Fund without designation.
- Funds allocated to the court clerk will be subtracted from funds allocated to the General Fund.
- A recurring increase in state revenue to the General Fund designated for the Division of Vocational Rehabilitation is estimated to be \$9,500 (950 x \$10).
- A recurring increase in state revenue to the General Fund without designation of \$17,575 [$\$28,500 - (\$9,500 + \$1,425)$].
- A total recurring increase in state revenue to the General Fund without designation is estimated to be \$2,104,630 ($\$17,575 + \$108,300 + \$405,555 + \$1,573,200$).
- Due to the allocation being unchanged, the undesignated fine revenue to the General Fund will remain the same.
- A total recurring increase in local government fine revenue of \$111,270 ($\$82,800 + \$21,345 + \$5,700 + \$1,425$).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/jaw